



**CALIFORNIA WORKFORCE INVESTMENT BOARD
ADMINISTRATIVE COMMITTEE
MEETING NOTICE**

**February 1, 2008
10:00 a.m. – 12:00 p.m.
KB Homes**

**10990 Wilshire Blvd.
Los Angeles, CA**

**Audio Teleconference Site:
California Workforce Investment Board
777 12th Street, Suite 200
Sacramento, CA**



Lawrence Gotlieb
Chair

Chris Essel
Vice Chair

Arnold Schwarzenegger
Governor

Barbara Halsey
Executive Director

AGENDA

- 1. Welcome and Announcements – Larry Gotlieb, Chair**
 - 2. Update – Executive Director's Report**
 - 3. Action – Approval of Administrative Items**
 - **October 10, 2007 Administrative Committee Meeting Summary of Actions**
 - **Local Area Modification Request**
 - **One Stop Career Center Cost Study**
 - 4. Discussion – State Board Meeting Agenda**
 - 5. Public Comment**
 - 6. Other Business that May Come Before the Committee**
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Individuals who require accommodations for their disabilities (including interpreters and alternate formats) are requested to contact the California Workforce Investment Board staff at (916) 324-3425 at least ten days prior to the meeting. TTY line: (916) 324-6523. Please visit the California Workforce Investment Board website at <http://www.calwia.org> or contact Daniel Patterson for additional information.

Welcome and Opening Remarks

Update – Executive Director’s Report

Action: Approval of Administrative Items

- **October 10, 2007 Administrative Committee Meeting
Summary of Actions**
- **Local Area Modification Request**
- **One Stop Career Center Cost Study: Proposed Next Steps
for Subsequent Work**

**Administrative Committee Notes
October 10, 2007**

In Attendance:

Vickie Bradshaw
Chris Essel
Ray York
Jamie Fall
Audrey Taylor
Ed Munoz

Larry Gotlieb
Barbara Halsey
Jose Millan
Tim Rainey
Jamil Dada
Dennis Petrie

There were three representatives from sites selected to participate as project sites in the state's integration efforts.

- **Welcome and Announcements:**

Larry Gotlieb welcomed everyone and had each person introduce themselves.

- **Update Executive Director's Report:**

Legislative Update (Barbara Halsey): Senate Bill (SB) 302 from Senator Ducheny; 2-year bill. We don't anticipate anything happening with the bill this year, but will continue to watch it. Some of the intent of the bill is to clean up language in the Workforce Training Act (SB 293).

Common Measures Waiver: No issues to report. The approval of the waiver will require renegotiation of some performance measures with the local areas.

One Stop Cost Study. Jamie Fall is meeting with Emily DeRocco on Oct 22nd to discuss the findings included in the study - Barbara will be participating by conference call. There is no opposition to the study. However, there is some concern from the California Workforce Association (CWA), about the methodology used to gather the data and the conclusions reached. We are working with CWA to respond to these concerns and clarify some of the findings in the report.

2006-2007 Annual Report: We are working on the narrative and will have the final report completed later this month. We have had this discussion with our contact at the DOL and approved our approach and timeline.

California's Career Technical Education Plan. Kathleen Milnes has represented the Board and Dennis Petrie also facilitated the workgroup meetings preparation of the CTE plan. The State Board is strongly mentioned and the Governor strongly supports K-12, Community College and State Board linkages. The final CTE Plan will be discussed at the next board meeting.

There were no additional questions on Executive Director's report.

- **Approval of Administrative Items:**

June 18, 2007 Administrative Committee Meeting Summary - The meeting minutes as recorded were approved by all members present.

Integrated Service Delivery Policy - In January 2007 there was a consolidation within the Employment Development Department (EDD) of the Wagner-Peyser and Workforce Investment Act (WIA) programs. There was also a training conducted on integration by a national consultant that included state and local area representation. This draft policy framework will be the basis of developing pilot projects in 12 local areas for the purposes of testing functional staffing needs, common customer flow, counting number of services delivered and received, etc. The integration effort will involve all the federally funded programs (Trade Adjustment Act/Veterans/Migrant Seasonal Farmworker/Wagner-Peyser Act/WIA. One of the key local issues is performance standards. We do not currently have the ability to count all the services that the system provides, and our system still reflects a silo/funding stream approach that is not harnessing the capacity of the system. One of the tests of this effort will be to enroll everybody that comes through a One-Stop, track the full array of services they receive so that we can tell the whole story of California's system, and therefore be better positioned to negotiate with the Department of Labor and make a better argument when they make funding cuts to WIA and the adverse effects that these are having in CA, versus the impact in other states. Larry asked what was the local concern and that as employer I am most concerned about the quality of employees referred to me by the system. Chris Essel asked how they are going to track services in One Stops if shopping occurs – how will this be a statewide count and not a local count. Barbara Halsey stated that this is a draft policy and provides a framework to answer some of these questions. Dennis Petrie said that the intent is to track the outcomes of individuals, those results are a direct correlation to the quality of services provided by the One Stops. Vickie Bradshaw stated that we are willing to test something if it is viable. DOL should be willing to take a look at revising the performance standards. The purpose of the system is to serve all clients that walk in our doors, not creaming.

Dennis stated that 4-5 states are already embarking on an integration effort and performance has not been adversely affected. Jamil Dada asked if this will provide a more accurate reflection of what the system is achieving or merely the number of people it enrolls. Barbara stated that the CWA's concern is that we create our own system and not adopt others. Barbara said that the DOL is hosting an integration team meeting in Seattle. Dennis reiterated that we are trying to obtain better data so we could track clients in the system for a longer period of time.

Vickie Bradshaw moved to approve the draft policy. It was approved by all members present.

WIA 25 Percent Rapid Response Funds - Dennis Petrie said that the current practice is to accept the applications on a flow basis throughout the year, while holding some funding aside as bridging funds for local areas in case there is a delay in approval of the state budget. This process is creating an issue with DOL as they are viewing these as unspent funding. There was a policy decision to not hold funding will begin issuing these dollars to locals as applications are received. The DOL allocations do not include a hold-harmless provision, and as a result California has lost 47 percent of its funding in this category. Vickie Bradshaw stated that we are out of money now (1st Quarter of the Program Year). If we need additional Rapid Response funding, DOL will have to respond, but it will not be rapid. Larry stated that this issue should be discussed during our next meeting with Representative Miller. Dennis Petrie mentioned that EDD is developing a National Emergency Grant application for the mortgage industry.

Dennis mentioned that AMGEN in Ventura County is losing 1,700 jobs. Vickie Bradshaw said that the industry statewide has a huge need for skilled labor. How do we as a Board facilitate this? Time Rainey said that there is a skills transfer that can be used to other industries and ask how we aid transition from residential to commercial building trades.

There was some discussion relative to not looking at one employer in an industry to determine our response, but whether that loss of jobs is an indicator of other issues for us and that industry. Right now bio-tech industry is growing in other parts of the state.

Vickie Bradshaw said that we will continue this policy of spending down our rapid response funding and will need to coordinate with DOL and Congress. Locals should also be advising us when they see local industry shifts. Audrey Taylor said the economic development entities can also do a better job of looking at these shifts, not just growth but also declining industries.

Roundtable Forums - Barbara briefed the current status of the planning for the first roundtable forum to be conducted in San Bernardino on October 29th. Chris Essel asked what the content of the roundtables will be. Barbara replied that it will be a discussion between local directors and their teams, which will be made up of representatives from economic development, education entities, local board, organized labor and business and industry. The purpose of which is to begin the effort present a regional strategy and begin a dialogue with these key players and to present some of the benefits to regional partnerships that form to respond to regional economic indicators. The clusters of opportunity methodology will be discussed as a possible tool that can help identify these opportunities so that regional strategies and partnerships can be formed to respond

Next Board Meeting - Barbara Halsey said although the Board typically has a meeting late in the calendar year, she proposed that the next Board meeting be scheduled in January 2008. This will give the staff the opportunity to conduct the first series of transformational roundtable forums and will provide a summary of our efforts at that time. All present agreed.

Jamil Dada said that we need to develop our message to Congress and DOL as there are trips planned in February. He also asked if California will be sending a team to the DOL Integration meetings. Barbara stated that her and Dennis, as well as representatives from the pilot projects sites will be attending the conference. She and Jamie will develop a team list for California. DOL may provide capacity building funds to help states attend the conference.

Audrey Taylor mentioned the roundtable forum to be held in Northern California. She said that there was the possibility of doing some press meetings, Rotary Clubs, etc., and mentioned a facility in Butte County for the meeting. There will be some planning outside of the meeting to finalize the forum in Northern California.

There was no additional business or public comment. The meeting was adjourned.

Administrative Item
Local Area Modification Request by NORTEC to add Nevada County

Action Requested

The Administrative Committee recommend the State Board's approval of the Northern Rural Training and Employment Consortium's (NoRTEC) request to add Nevada County to their Local Area.

Background

Section 116 of the federal Workforce Investment Act (WIA) provides the Governor with the authority and the responsibility to designate cities, counties, or consortia of cities and/or counties as Local Areas for delivering WIA services. The Governor may approve a request from any unit of general local government, including a combination of such units for designation if the State Board determines, taking into account the factors described in Section 116 of WIA, and recommends to the Governor, that such areas should be so designated. It is essential that the merger of the Nevada County into NoRTEC take place by July 1, 2008 in order for there to be no disruption of WIA services in the effected communities.

Approval of a Local Area Modification Request by NoRTEC to add Nevada County

The NoRTEC submitted a Local Area modification request application to the State Board on November 19, 2007. The application requests that Nevada County move from the Golden Sierra Consortium (GSC) to the NoRTEC Local Area. The NoRTEC has followed all requirements for the Local Area modification process, and GSC has not indicated they are opposed to Nevada County's desire to become part of NoRTEC. No comments opposing the incorporation of Nevada County into NoRTEC were received during the public comment period. The EDD Workforce Investment Division has reviewed and recommended approval of NoRTEC's Local Area modification request.

On December 6, 2007, California State Senator Sam Aanestad, Fourth Senatorial District, sent a letter to Governor Arnold Schwarzenegger supporting the modification request to shift Nevada County from GSC to NoRTEC, and on December 19, 2007, California Assembly Member Rick Keene, Third District, also sent a letter of support.

The GSC's economy is based on services and manufacturing, focusing on high-tech businesses. The area has experienced high growth in both population and business. The NoRTEC's private sector economy is comprised of tourism, small business and agriculture; the single largest employer, however, is government. Both areas have a similar population of just over 600,000.

Nevada County stretches from the eastern end of the Sacramento Valley, across the Sierra Nevada Mountains, to the state of Nevada. The largest employment category is the services industry, with thousands of people work in retail and wholesale, trade, manufacturing, construction, other businesses, and various levels of government.

The projected population for 2007 is 99,766. Nevada County borders one of NoRTEC's counties, Sierra County. Nevada and Sierra counties often collaborate on projects and programs, according to EDD's analysis, "this proximity is not a critical factor". This is due to "With the distances involved throughout the NoRTEC Local Area, a shared labor force is not likely, and not nearly as relevant as common challenges and a shared philosophy." The primary reason Nevada County wants to join NoRTEC is their belief that it will lead to a broader array and higher quality of programs and services for the job seekers and businesses of Nevada County.

If the proposed Local Area Modification Request is approved, the total 2007 projected population for GSC would be reduced from 604,196 to 504,430, while the total 2007 projected population for NoRTEC would increase from 621,418 to 721,184.

Approval of the NoRTEC Local Area modification request will achieve the following benefits:

- Better alignment of workforce resources. Because Nevada County borders NoRTEC county of Sierra. The Nevada County economy is more aligned with the balance of NoRTEC counties, as they are part of the Northern California Region¹. Most of the GSC counties economic growth (El Dorado and Placer Counties) is increasingly shifting the economic base towards the Sacramento area.
- Provide greater accessibility to services for customers in Nevada County. The NoRTEC will provide a broader array of programs and services for job seekers and businesses of Sierra County. NoRTEC, along with a full time WIA presence; will provided a nationally recognized business services program, a welfare to work program, and will provide greater capacity building for Nevada County program staff.
- Nevada County will have available more funding for direct services because NoRTEC, as an administrative entity, reserves only 6.5 percent of allocated WIA funds whereas GSC reserves a greater amount. The NoRTEC structure is based upon its counties running their own WIA programs and related programs, whereas GSC provides services directly for its counties.

¹ The economic regions as defined by the California Economic Strategy Panel.

ADDENDUM

**California Workforce Investment Board
Administrative Committee
February 1, 2008**

The following is an addendum to the California Workforce Investment Board (State Board) Administrative Committee (Committee) meeting packet for February 1, 2008. Specifically, this is to amend Item 3 Approval of Administrative Item – Local Area Modification Request. This Addendum shall be added as Item 3, Attachment 2, page 3 of 3

Since the posting of the Committee's February 1, 2008 meeting agenda packet on January 23, 2008, the State Board had received the following public comment from the Golden Sierra Job Training Agency (GSJTA) regarding the above mentioned administrative action item:

"The GSJTA wishes to retain good relations with Nevada County. The GSJTA will not oppose Nevada County's wish to withdraw from the Joint Powers Agreement with this contingency: Nevada County satisfy it's share of GSJTA's unfunded liability for retiree health care and PERS pension obligations at current cost at the time of any withdraw from the JPA".

COMMENT: The GSJTA submitted comment does not change the State Board staff recommendation that requests the following:

The Administrative Committee recommend the State Board's approval of the Northern Rural Training and Employment Consortium's (NoRTEC) request to add Nevada County to their Local Area.

The issue brought forward by the GSJTA public comment is a matter that is to be negotiated between the GSJTA and Nevada County, and does not enter into criteria for consideration of Local Area Modification request.

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Administrative Item
Proposed Next Steps for Subsequent Work on the One-Stop Career Center Cost Study

Action Requested

The Administrative Committee approves the Accountability in Workforce Investments Committee recommendation for proposed next steps for subsequent work on the One-Stop Career Center Cost Study.

Background

To assist in improving services and integration in federal Workforce Investment Act One-Stop Career Centers (One-Stops), the California Workforce Investment Board (CWIB), Accountability in Workforce Investments Committee, in partnership with the California Employment Development Department (EDD) and the California Workforce Association (CWA) sponsored a *One-Stop System Cost Study Report* (Cost Study) conducted by California State University Northridge researchers during 2006-07. The Cost Study was the first to look at in-kind and financial resources supporting operations and service delivery using Activity-Based Cost (ABC) accounting model to better understand the real costs of producing a product or service. It examined the administrative, infrastructure, and direct services costs incurred by partner agencies in various local One-Stops, and the outputs those costs supported. The study also established a method based on ABC accounting that allows a holistic look at One-Stops and provides a framework for continuous improvement in the system. The Cost Study created opportunities to better understand costs and services produced by One-Stops and can help inform and support California's budding *Integrated Service Delivery* strategy. Furthermore, Cost Study results have sparked national interest at the federal, state and local levels.

To this end, CWIB staff, in consultation with the EDD and the CWA, sees the need to sponsor a subsequent study to enhance the application and use of the ABC model in the One-Stops in support of continuous improvement and to inform more effective integration of service delivery in One-Stops.

Summary of Proposed Work

Subsequent work will consist of two main components, a management track and a policy track. The CWIB will establish two workgroups, one for each track, comprised of One-Stop managers and staff, subject matter experts, representatives from state and local boards, and state and local partner agencies. The workgroups will be charged with becoming more familiar with the Cost Study, and begin identifying how the information can be enhanced to improve the One-Stop service delivery model and advance it as a key component of an integrated and comprehensive workforce development system. California State University Northridge research experts will conduct the study with assistance from CWIB and EDD staff, in addition to the local workforce area and workgroup participants.

Discussion:

- **State Board Meeting Agenda**



CALIFORNIA WORKFORCE INVESTMENT BOARD

MEETING NOTICE

Date, time and location to be determined

Sacramento, CA



Lawrence Gotlieb
Chair

Chris Essel
Vice Chair

Arnold Schwarzenegger
Governor

Barbara Halsey
Executive Director

INFORMATIVE PRESENTATION*

9:00 a.m.-12 p.m.

Executive Overview of Industry Cluster of Opportunity Methodology

AGENDA

- 1. Welcome and Opening Remarks**
 - **Larry Gotlieb, Chair**
 - 2. Information Presentation – Working Lunch**
 - **Wes Jurey – CEO Chamber of Commerce – Arlington, Texas**
 - 3. Update – Labor and Workforce Development Agency Report**
 - 4. Update – Executive Director's Report**
 - 5. Action:**
 - **Approval of October 10, 2007 State Board Meeting Summary**
 - **Approval of Local Area Modification Request**
 - **Integration Services Framework**
 - **One Stop Career Center Cost Study**
 - 6. Discussion Item – Moving Forward**
 - **Board Direction for the Future**
 - 7. Public Comment**
 - 8. Other Business that May Come Before the State Board**
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* Board Members are not required, but encouraged, to participate in this informative presentation. This presentation is separate from the Meeting of The Board.

Public Comment

Other Business